

receiver may serve without bond if permitted by law. Credit Union's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Credit Union shall not disqualify a person from serving as a receiver.

(f) If Grantor remains in possession of the Property after the Property is sold as provided above or Credit Union otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at will of Credit Union or the purchaser of the Property and shall pay while in possession a reasonable rental for use of the Property.

(g) If the Real Property is submitted to unit ownership, Credit Union or its designee may vote on any matter that may come before the members of the association of unit owners, pursuant to the power of attorney granted Credit Union in Section 16.2.

(h) Trustee and Credit Union shall have any other right or remedy provided in this deed and security agreement, or the Note.

14.2 **Sale of the Property.** In exercising its rights and remedies, the Trustee or Credit Union, shall be free to sell all or any part of the Property together or separately, or to sell certain portions of the Property and refrain from selling other portions. Credit Union shall be entitled to bid at any public sale on all or any portion of the Property.

14.3 **Notice of Sale.** Credit Union shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten days before the time of the sale or disposition.

14.4 **Waiver, Election of Remedies.** A waiver by any party of a breach of a provision of this deed and security agreement shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. Election by Credit Union to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Grantor under this deed after failure of Grantor to perform shall not affect Credit Union's right to declare a default and exercise its remedies under this deed and security agreement.

14.5 **Attorneys' Fees; Expenses.** If Credit Union institutes any suit or action to enforce any of the terms of this deed and security agreement, Credit Union shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Credit Union that are necessary at any time in Credit Union's opinion for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the rate of 12 percent per annum or at the rate of the Note, whichever is higher. Expenses covered by this paragraph include (without limitation) all attorney fees incurred by Credit Union whether or not there is a lawsuit, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, appraisal fees, title insurance, and fees for the Trustee.

15. **Notice.** Any notice under this deed shall be in writing and shall be effective when actually delivered or, if mailed, shall be deemed effective on the second day after being deposited as registered or certified mail, postage prepaid, directed to the address stated in this deed and security agreement. Any party may change its address for notices by written notice to the other parties.

16. **Miscellaneous.**

16.1 **Successors and Assigns.** Subject to the limitations stated in this deed and security agreement on transfer of Grantor's interest, and subject to the provisions of applicable law with respect to successor trustees, this deed shall be binding upon and inure to the benefit of the parties, their successors and assigns.

16.2 **Unit Ownership Power of Attorney.** If the Real Property is submitted to unit ownership, Grantor grants an irrevocable power of attorney to Credit Union to vote in its discretion on any matter that may come before the members of the association of unit owners. Credit Union shall have the right to exercise this power of attorney only after default by Grantor and may decline to exercise this power, as Credit Union may see fit.

16.3 **Annual Reports.** If the Property is used for purposes other than Grantor's residence, within 60 days following the close of each fiscal year of Grantor, Grantor shall furnish to Credit Union a statement of net operating income received from the Property during Grantor's previous fiscal year in such detail as Credit Union shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

16.4 **Applicable Law.** This deed has been executed and delivered to Credit Union in the state of Oregon. The law of Oregon shall be applicable for the purpose of construing and determining the validity of this deed and security agreement and, to the fullest extent permitted by the law of any state in which any of the Property is located, determining the rights and remedies of Credit Union on default.

16.5 **Joint and Several Liability.** If Grantor consists of more than one person or entity, the obligations imposed upon Grantor under this deed shall be joint and several.

16.6 **Time of Essence.** Time is of the essence of this deed and security agreement.

16.7 **Use.**

- (a) If located in Idaho, the Property either is not more than twenty acres in area or is located within an incorporated city or village.
- (b) If located in Washington, the Property is not used principally for agricultural or farming purposes.
- (c) If located in Oregon, the Property is not now used for agricultural, timber, or grazing purposes.
- (d) If located in Montana, the Property does not exceed fifteen acres and this instrument is a Trust Indenture executed in conformity with the Small Tract Financing Act of Montana.

17. **Prior Indebtedness.**

17.1 **Prior Lien.** The lien securing the Indebtedness secured by this deed and security agreement is and remains secondary and inferior to the lien securing payment of a prior obligation in the form of a:

(Check which Applies)                      ☒ Trust Deed                      ☐ Mortgage                      ☐ Land Sale Contract  
Other (Specify) .....

The prior obligation has a current principal balance of \$ 21,703.13 and is in the original principal amount of \$ 25,500.00. Grantor expressly covenants and agrees to pay or see to the payment of the prior indebtedness and to prevent any default thereunder.

17.2 **Default.** If the payment of any installment of principal or any interest on the prior indebtedness is not made within the time required by the note evidencing such indebtedness, or should an event of default occur under the instrument securing such indebtedness and not be cured during any applicable grace period therein, then the Indebtedness secured by this deed and security agreement shall, at the option of Credit Union, become immediately due and payable, and this deed and security agreement shall be in default.

GRANTOR:

*Peter Russell O'Neil*  
*Esther G. O'Neil*

GRANTOR:

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INDIVIDUAL ACKNOWLEDGEMENT

STATE OF OREGON )

County of Klamath )

On this day personally appeared before me, *Peter Russell O'Neil*, *Esther G. O'Neil*, to me known to be the individual, or individuals described in and who executed the within and foregoing instrument, and acknowledged that he/she signed the same as his/her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 9th day of May, 1986

*Susan L. Pyle*  
Notary Public for Oregon  
My commission expires: 11-2-86

8053

STATE OF OREGON: COUNTY OF KLAMATH:ss

I hereby certify that the within instrument was received and filed for record on the 16th day of May A.D., 1984 at 10:43 o'clock A M, and duly recorded in Vol M84, of Mortgages on page 8049.

EVELYN BIEHN, COUNTY CLERK

Fee: \$ 20.00

by: Pam Smith, Deputy